

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:

W.R. Grace & Co., *et al.*,

Debtors.

Chapter 11

Case No. 01-01139 (JKF)

(Jointly Administered)

Ref. Nos. 24423, 24795, 24797 & _____

**[PROPOSED] ORDER CONCERNING MARYLAND CASUALTY COMPANY'S
OBJECTION TO LIBBY CLAIMANTS' PARTICIPATION IN DEBTORS'
OBJECTION TO CLAIMS FILED BY MARYLAND CASUALTY COMPANY**

This matter having come before the Court upon consideration of the Joinder of the Libby Claimants in the Debtors' Objection to Claims Filed by Maryland Casualty Company dated March 9, 2010 [Docket No. 24423] (the "Libby Claimants' Joinder"); the Libby Claimants having filed the Libby Claimants' Reply to Response of Maryland Casualty Company in Opposition to Debtors' Objection to Claims on May 19, 2010 [Docket No. 24797]; Maryland Casualty having filed the Objection of Maryland Casualty Company to the Proposed Participation of the Libby Claimants in the Debtors' Objection to Claims Filed by Maryland Casualty Company dated May 19, 2010 [Docket No. 24795] (the "Maryland Casualty Objection"); the Libby Claimants having filed a response on June 2, 2010 responding to the Maryland Casualty Objection [Docket No. _____]; the Debtors, the Official Committee of Asbestos Personal Injury Claimants (the "ACC"), the Future Claimants' Representative (the "FCR," together with the ACC and the Debtors, the "Plan Proponents"), Maryland Casualty Company, and the Libby Claimants having assented to the entry of this Order, and after due deliberation and sufficient cause appearing therefor,

It is hereby ORDERED:

1. Subject to further order of this Court, the Libby Claimants' Joinder is hereby suspended, and the Libby Claimants are not a party to the Claims Objection.¹ However, the Libby Claimants may seek to renew the Libby Claimants' Joinder in the event that (a) the Claims Objection is no longer being prosecuted by the Debtors, the ACC or the FCR, or (b) the Libby Claimants assert that their interests are not being adequately represented in respect of the Claims Objection proceeding by any of the parties thereto. If the Libby Claimants so renew the Libby Claimants' Joinder, the Libby Claimants' right to be a party to the Claims Objection and to participate in proceedings thereon shall be determined in light of circumstances at the time of such renewal, *provided, however*, that the Libby Claimants' lack of participation in the Claims Objection by reason of this Order shall not be considered.

2. Except as set forth in paragraph 1 of this Order, the rights of all parties in respect of the Libby Claimants' Joinder and the Maryland Casualty Objection are hereby expressly preserved.

Dated: June ___, 2010
Wilmington, Delaware

The Honorable Judith K. Fitzgerald
United States Bankruptcy Judge

¹ Nevertheless, communications between Libby Claimants' counsel and the Plan Proponents concerning the Claims Objection shall be treated the same, for purposes of the joint defense a/k/a common interest privilege, as though the Libby Claimants were a party to the Claims Objection proceeding.